

MEMORANDUM

## NATIONAL SECURITY COUNCIL

SECRET - GDSINFORMATION

August 8, 1975

MEMORANDUM FOR:

GENERAL SCOWCROFT

FROM:

CLINTON E. GRANGER *CEL*

SUBJECT:

Arms Relationship with Yugoslavia

You asked me to look into the delay in advancing our arms relationship with Yugoslavia. As you know, the Yugoslavs are anxious to escalate the sophistication of their arsenal and lessen their dependence on the Soviets by purchasing advanced weaponry and equipment from us. Among other things they are interested in C4-47 helicopters, advanced radar systems, MAVERICK, SIDE-WINDER, and AGILE missiles and laser-guided bombs. To sell these and other classified items, however, we need a blanket exemption to National Disclosure Policy for Yugoslavia. Such an exemption has been opposed by the services and JCS because of the fear -- supported, we understand, by a CIA study -- that the Yugoslavs would leak to the Soviets. These objections were overruled, but Navy appealed. The issue is now on the Secretary of Defense's desk, where I am told a final decision in favor of the exemption is imminent.

Once the exemption is granted, JCS, DSAA, and the services will decide, with State concurrence, which of the items on the Yugoslav shopping list we want to sell. We will track this process closely and alert you if further delays develop.

cc: Denis Clift

OSD REVIEW  
COMPLETEDON-FILE NSC RELEASE INSTRUCTIONS  
APPLY

MORI/CDF per C03213135

SECRET - GDS